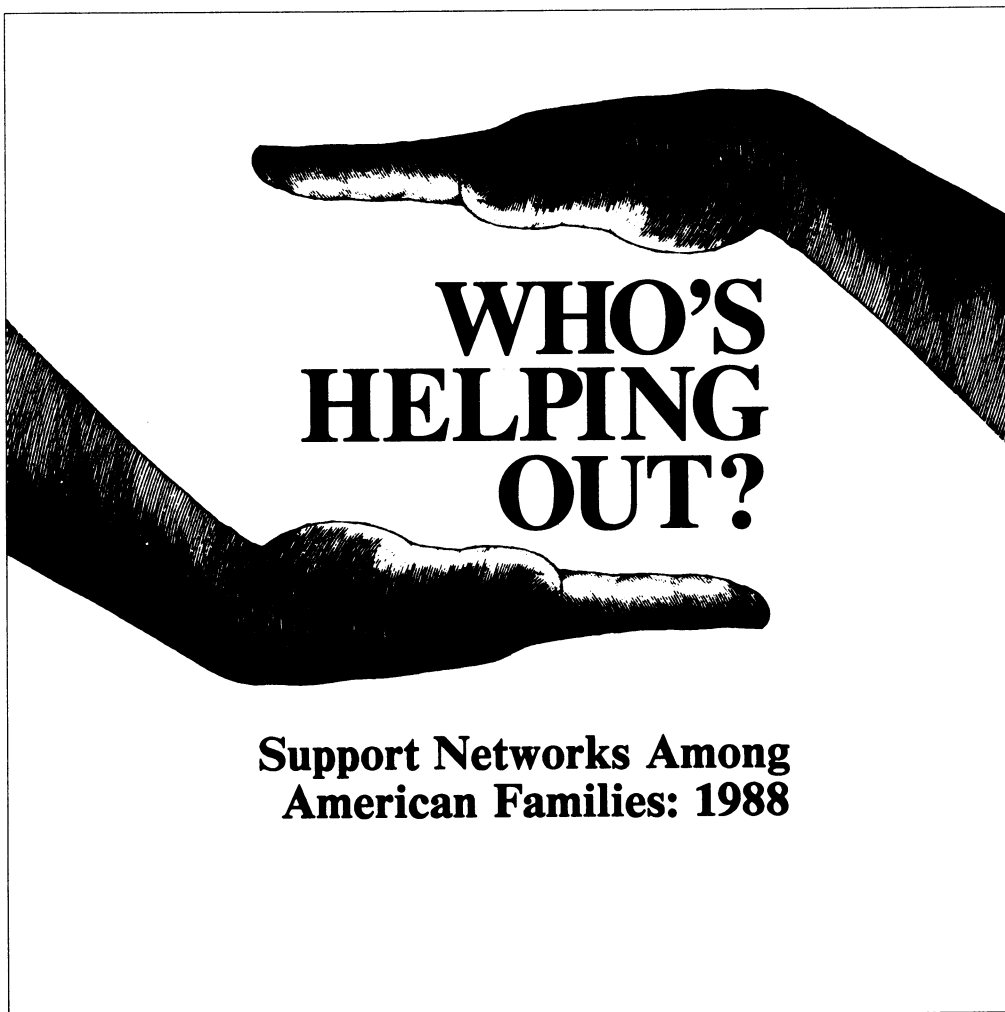




CURRENT POPULATION REPORTS  
**Household Economic Studies**

Series P-70, No. 28

by  
Jerry T. Jennings  
and  
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# WHO'S HELPING OUT?

**Support Networks Among  
American Families: 1988**

U.S. Department of Commerce  
Economics and Statistics Administration  
BUREAU OF THE CENSUS

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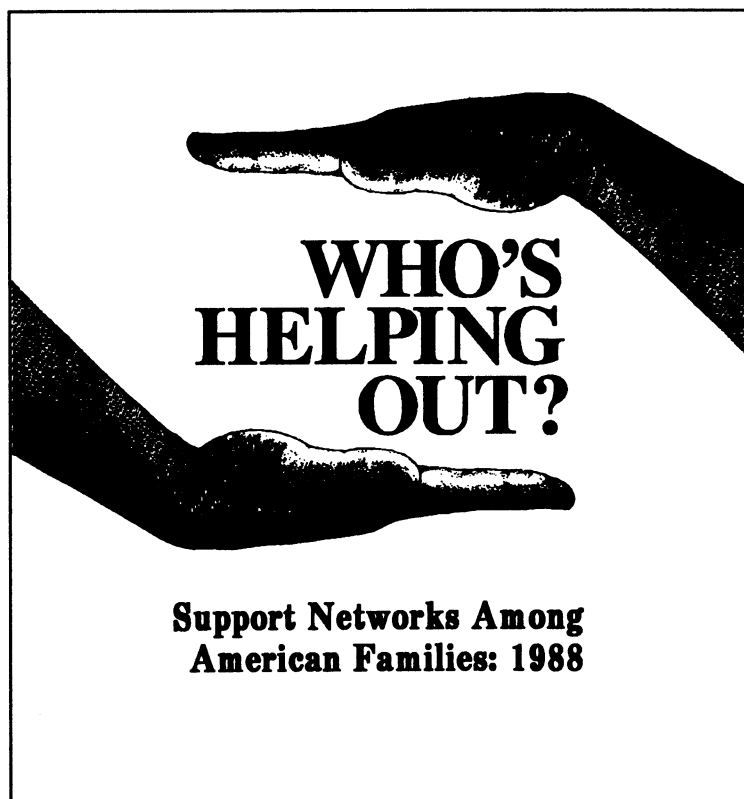
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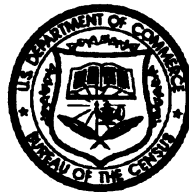
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## Introduction

American families are generally nuclear and economically self-sufficient. Still, not all households are able to maintain financial independence. Divorce produces individuals and family units needing financial assistance. Older parents sometimes need support from their adult children for medical or housing expenses, and young adults sometimes need financial help from their parents to establish independent households and begin their own families.

Demographic changes also contribute to the dependency ratio. As Baby Boomers (the 76 million persons born between 1946 and 1964) grow older, the elderly portion of the population, persons 65 years and over, will increase from 12.5 percent in 1990 to a projected 18.2 percent in 2020. Looking ahead two decades from now when the first of the Baby Boomers reach age 65 and begin to retire from the labor force in large numbers, the ratio of the retirement-age population (persons 65 years and over) to the working-age population (persons 18 to 64 years old) is projected to increase from its

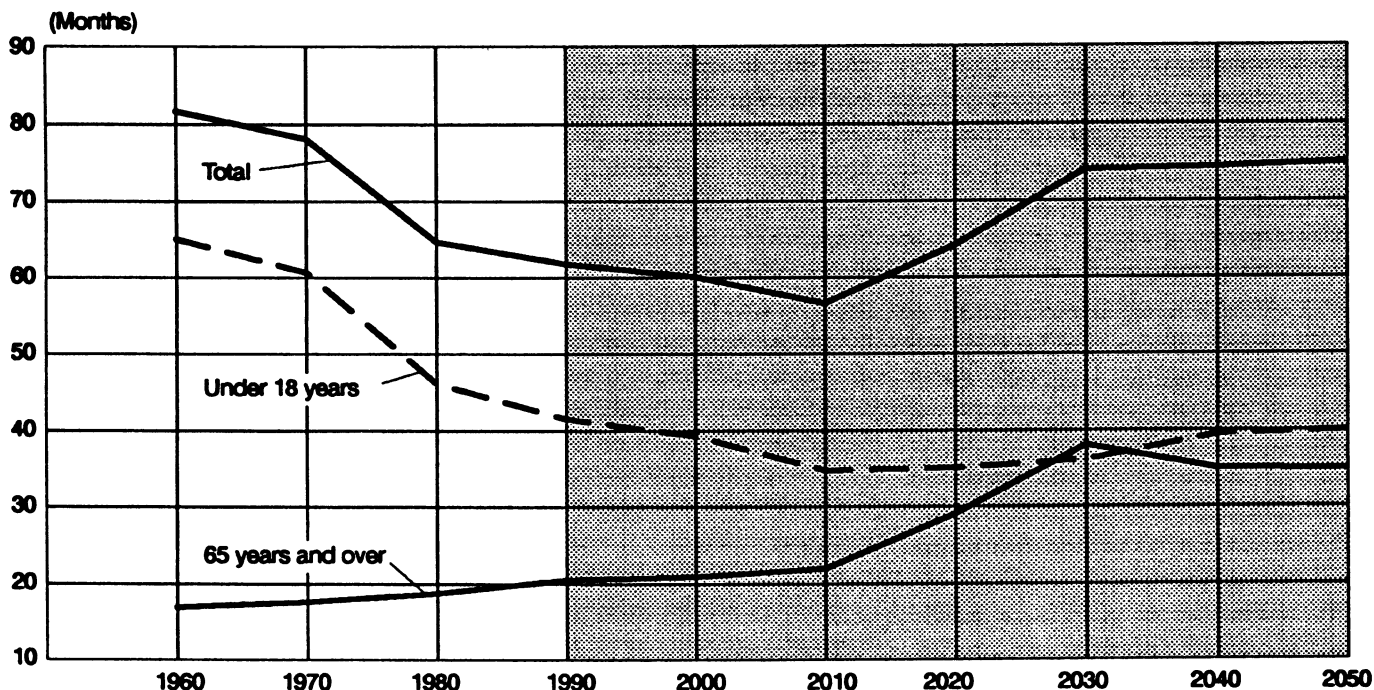
current level of 20 per 100 persons to about 22 per 100 in 2010 (figure 1). By 2030, when the last of the Baby Boomers, those born in the 1960's, reach age 65, this ratio is projected to increase further to 37 per 100. This large increase in the elderly may mean that financially secure households maintained by young workers will need to assume added responsibility for the care of aging parents and other relatives. As a result of the increase in the elderly population, the total dependency ratio (which includes both those under 18 years and those 65 years and over) is projected to rise from 62 per 100 in 1990 to 74 per 100 by 2030.<sup>1</sup>

### SOURCE OF DATA

This report is the second from the Survey of Income Program and Participation (SIPP) to focus on the financial support networks in which individuals' or families'

<sup>1</sup>U.S. Bureau of the Census, Current Population Reports, Series P-25, No. 1018, "Projections of the Population of the United States, by Age, Sex, and Race: 1988 to 2080", table E.

**Figure 1.**  
**Number of Dependents per 100 Persons 18 to 64 Years Old:**  
**Estimates, 1960–1980, Projections, 1990–2050**



Source: Current Population Reports, Series P-25, No. 1018, table E.

incomes are supplemented by contributions from persons living in different households.<sup>2</sup> These reports provide information on the sources and amounts of inter-family support that analysts and policymakers need to estimate the degree and direction of financial interdependency among American families.

Data in this report were collected in a supplement to the SIPP conducted between October 1988 and January 1989, in approximately 14,000 interviewed households in the sixth wave of the 1987 Panel of the SIPP. Statistics are presented for persons 18 years and over who made regular or lump-sum cash payments in support of persons or families not living in the same households with them.

Estimates for 1988 differ from the 1985 figures in part because of content and design changes in the questionnaire. In 1985, the initial screening question directly asked about regular payments, but interviewers were instructed to include any lump-sum or irregular payments which were reported. Beginning in 1986, however, a revised screener question specifically asked for regular or lump-sum payments. Comparative data for selected indicators are presented in appendix D, table D-2, for surveys conducted between 1985 and 1988.

Responses to the questions in the SIPP supplements refer to the 12-month period prior to the interview date, although most of the support payments reported in the October 1988-January 1989 period actually occurred in

1988. Reference dates of 1986 or 1985 also indicate the year in which the survey was conducted.

## PROFILE OF PROVIDERS—WHO'S HELPING OUT?

(Note: the figures in parentheses represent  $\pm 1.6$  standard errors of the estimated statistic, or the 90-percent confidence interval for the estimate.)

In 1988, approximately 8.0 ( $\pm 0.5$ ) million persons (4.5 ( $\pm 0.3$ ) percent of the population 18 years old and over) provided financial support to about 12.4 ( $\pm 0.6$ ) million persons not living in the household with them (table A). Of those receiving support, about 5.4 ( $\pm 0.4$ ) million were adults, and 7.0 ( $\pm 0.4$ ) million were children. Of the 8.0 million providers, 49 ( $\pm 3.1$ ) percent supported only children, and a similar proportion of 45 ( $\pm 3.1$ ) percent supported only adults; few (6 ( $\pm 1.5$ ) percent) assisted both children and adults. Twenty-six ( $\pm 2.7$ ) percent supported 2 persons, and 11 ( $\pm 2.0$ ) percent supported 3 or more persons outside their household, for an average of 1.55 ( $\pm 0.12$ ) persons each.

Overall, the figures for 1988 in this report were similar to those in the 1986 survey, which showed 7.6 ( $\pm 0.5$ ) million persons or 4.3 ( $\pm 0.3$ ) percent of the population 18 years old and over provided financial assistance to 12.1 ( $\pm 0.6$ ) million persons not living with them. On average, providers in 1988 contributed \$2,980 ( $\pm \$234$ ) toward the support of these nonresident individuals, an amount not significantly different from the \$2,982 (in 1988 dollars) ( $\pm \$303$ ) contributed by providers in 1986 (table B).

**Table A. Persons Providing and Receiving Financial Support, by Relationship to Provider: 1988 and 1986**

(Numbers in thousands)

Subject	1988		1986	
	Number	Percent	Number	Percent
Total, 18 years old and over .....	179,324	100.0	174,731	100.0
Persons providing support .....	8,008	4.5	7,572	4.3
Persons providing support .....	8,008	100.0	7,572	100.0
For children only <sup>1</sup> .....	3,928	49.1	4,323	57.1
For adults only .....	3,602	45.0	2,815	37.2
For both children and adults .....	477	6.0	433	5.7
Persons receiving support .....	12,400	100.0	12,134	100.0
Children <sup>1</sup> .....	6,971	56.2	7,884	65.0
Adults .....	5,429	43.8	4,251	35.0
Parents .....	1,665	13.4	1,187	9.8
Spouse .....	204	1.6	129	1.1
Ex-spouse .....	530	4.3	367	3.0
Child under 21 years .....	113	0.9	( <sup>2</sup> )	( <sup>2</sup> )
Child 21 years and over .....	1,204	9.7	894	7.4
Other relative .....	1,008	8.1	1,025	8.4
Nonrelative .....	247	2.0	288	2.4
Relationship not ascertained <sup>3</sup> .....	458	3.7	361	3.0

<sup>1</sup>Refers only to sons and daughters under 21 years of age.

<sup>2</sup>Not one of the categories in 1986.

<sup>3</sup>Refers to persons supported for whom no relationship data were obtained. Information was collected only for first two mentioned adults.



**Table B. Annual Financial Support Provided and Annualized Family Income of Persons Providing Support for Nonhousehold Children and Adults: 1988 and 1986**

Type of person supported and year	Total (thous.)	Amount of support		Family income	
		Mean	Standard error	Mean	Standard error
<b>1988</b>					
All providers .....	8,008	\$2,980	\$142	\$41,869	\$2,207
Provider supports children .....	4,406	2,689	153	36,872	3,332
Supports children only .....	3,928	2,582	154	36,536	3,641
Provider supports adults .....	4,079	2,947	193	47,005	2,515
Supports adults only .....	3,602	2,738	194	45,813	2,467
Provider supports both children and adults .....	477	8,256	1,091	56,000	10,643
<b>1986 (in 1988 dollars)</b>					
All providers .....	7,572	\$2,982	\$184	\$38,736	\$2,295
Provider supports children .....	4,757	2,748	146	36,814	3,272
Supports children only .....	4,323	2,724	156	36,777	3,533
Provider supports adults .....	3,249	2,927	365	41,340	2,542
Supports adults only .....	2,815	3,003	418	41,982	2,730
Provider supports both children and adults .....	433	5,417	623	37,172	6,908

The 1988 survey continued the 1986 survey practice of identifying support payments as either regular or lump-sum. Of the 8.0 million providers in 1988, 5.4 million, or 67 percent, made regular (continuous) payments; 1.8 million, or 23 percent, made lump-sum (one time only) payments; only 10 percent (about 800,000 persons) made both lump-sum and regular payments (table C). Eighty percent of lump-sum only providers made payments only to other adults, in contrast to regular providers, of whom 30 percent made payments only to adults.

Comparisons of the 1985 survey results with the 1986 and 1988 survey results confirm that specifically asking the respondents if a lump-sum payment was made resulted in the large increase noted among providers for adults in 1986 and 1988. In 1985, about 1.9 million persons stated that they provided support for adults outside their households,<sup>3</sup> the number increasing to 2.8 million in 1986 and then to 3.6 million in 1988 (table A).

**Age and sex.** The majority (58 percent) of persons supporting someone outside their households were young adults 25 to 44 years old; 29 percent were 45 to 64 years old; few were either under 25 years old (4 percent) or 65 years and over (9 percent) (table C).

The age distribution of the providers reflects their likelihood of having extended family ties and potential recipients of financial assistance. Seventy-three percent of providers 25 to 44 years old supported children (table D). Providers 45 to 64 years old were more likely

to support adults (71 percent) than children (34 percent). Although sandwiched between generations with both younger and older relatives, few (5 percent) middle-aged providers supported both adults and children at the same time (table C). Among providers 65 years and over, 93 percent supported adults only.

The payments made by elderly providers (\$3,603) and by younger providers (\$2,907 for 25-to 44-year olds and \$3,127 for those 45 to 64 years old) were not significantly different, although older persons have a greater likelihood of having dependent adult relatives, including elderly parents, children over 21 years old, and other adult relatives with financial needs (tables D and I).

About three-quarters of providers were men, and most (59 percent) supported children only (table C). In comparison, only 24 percent of providers were female, of whom 16 percent supported children only. These figures seem to indicate a significant decline in the proportion of providers supporting children only. In 1985, 69 percent of men providers, and 30 percent of women providers, had supported children only. However, this difference is probably due to the changes in the wording of the questionnaire regarding lump-sum payment, which identified more payments to adults in 1988. In both survey years, no significant change occurred in the number of men (3.6 million in 1988 and 3.7 million in 1985) or women (300,000) providing support to children only.<sup>3</sup>

While most lump-sum providers in 1988 were also men (60 percent), lump-sum providers were about twice as likely to be female (40 percent) as regular providers (18 percent) (table 2).

**Family and marital status.** The vast majority (85 percent) of persons giving financial assistance to someone

<sup>3</sup>Ibid., table D.

**Table C. Selected Characteristics of Persons Supporting Nonhousehold Members, by Type of Person Supported: 1988**

(Numbers in thousands)

Characteristic of person providing support	Total persons 18 years and over	Total number of providers	Providing support for—		
			Adults and children	Adults only	Children only
All providers .....	179,324	8,008	477	3,602	3,928
Type of support:					
Regular.....	(X)	5,372	362	1,633	3,377
Lump-sum .....	(X)	1,831	34	1,473	324
Both .....	(X)	805	82	496	227
Race:					
White .....	154,175	6,812	433	3,056	3,323
Black.....	19,794	909	37	347	525
Other.....	5,354	287	8	199	80
Hispanic origin: <sup>1</sup>					
Non-Hispanic.....	166,483	7,119	413	3,062	3,644
Hispanic .....	12,840	889	65	540	284
Sex:					
Male .....	85,620	6,082	387	2,081	3,615
Female .....	93,704	1,925	90	1,521	314
Age:					
18 to 24 years.....	25,688	292	-	122	170
25 to 44 years.....	79,062	4,660	364	1,266	3,030
45 to 64 years.....	45,819	2,327	108	1,532	686
65 years and over .....	28,756	730	5	682	43
Household relationship:					
Householder or spouse.....	144,085	6,825	448	3,211	3,166
Other relative .....	28,372	739	17	311	411
Nonrelative .....	6,867	444	12	80	352
Marital status:					
Married, spouse present.....	105,274	3,859	236	1,913	1,711
Separated <sup>2</sup> .....	6,090	785	118	221	447
Widowed .....	13,124	421	12	371	38
Divorced.....	15,138	2,144	111	558	1,475
Never married .....	39,698	798	-	540	258
Years of school completed:					
Less than high school.....	42,739	1,459	78	760	621
High school only.....	60,760	2,476	128	868	1,480
College, 1 year or more .....	75,825	4,073	271	1,974	1,828
Employment status:					
Worked full month .....	110,335	6,394	457	2,580	3,357
Worked less than month.....	5,717	317	-	94	223
Without a job <sup>3</sup> .....	4,938	182	-	40	143
Not in labor force.....	58,334	1,115	20	889	206
Family income <sup>4</sup> :					
Under \$15,000 .....	40,414	1,234	92	446	695
\$15,000 to \$29,999 .....	50,467	2,246	71	1,087	1,088
\$30,000 to \$44,999 .....	36,323	1,787	114	655	1,018
\$45,000 and over.....	52,120	2,741	200	1,414	1,127

- Represents zero. X Not applicable.

<sup>1</sup>Persons of Hispanic origin may be of any race.

<sup>2</sup>Includes married, spouse absent.

<sup>3</sup>Includes persons who were on layoff or looking work at least 1 week last month.

<sup>4</sup>Excludes persons with no family income.

not living with them maintained a household themselves or were spouses of householders (table C). About half (48 percent) were married and living with their spouse at the time of the survey. The next most frequent marital status for providers was divorced (27 percent).

Householders were equally as likely to support children only (46 percent) as adults only (47 percent); few (7 percent) supported both. Similarly, spouses in married-couple households were equally as likely to support adults only (50 percent) as children only (44 percent);

**Table D. Persons Providing Support, Average and Aggregate Amounts of Payment, by Age of Provider and Type of Recipient: 1988**

(Numbers in thousands)

Type of recipient and amount of payment	All ages	18 to 24 years	25 to 44 years	45 to 64 years	65 years and over
<b>Number of providers</b>					
Total <sup>1</sup> .....	8,008	292	4,660	2,327	730
Supporting children .....	4,406	170	3,394	794	48
Supporting adults .....	4,079	122	1,630	1,641	687
<b>Average payment per provider<sup>2</sup></b>					
All providers .....	\$2,980	\$1,436	\$2,907	\$3,127	\$3,603
Supporting children .....	2,689	(B)	2,770	(B)	(B)
Supporting adults .....	2,947	(B)	2,541	(B)	3,742
<b>Aggregate support payments (millions)<sup>2</sup></b>					
Total .....	\$23,866	(B)	\$13,544	\$7,274	\$2,629
Support for children .....	11,846	(B)	9,403	2,205	(B)
Support for adults .....	12,020	(B)	4,141	5,069	2,569

B Base too small to show derived estimate.

<sup>1</sup>Components add to more than total because some persons provide support to both children and adults.

<sup>2</sup>Support payments tabulated individually for children and adults.

divorced persons were more likely to support children only (69 percent), undoubtedly from their previous marriage, than to support adults only (26 percent).

**Race and Hispanic origin.** About 85 percent of providers were White, about the same as in the total adult population (86 percent). About 11 percent of all providers were of Hispanic origin, although they made up 7 percent of the adult population (table C). On average, Blacks who supported persons not living with them provided support for 1.6 persons, and Whites 1.5 persons; Hispanic providers supported 1.9 persons on average. None of these averages are significantly different.

**Men supporting spouses.** An estimated 714,000 men provided some financial assistance (including alimony) to their ex-wives (524,000) or to their current wives (190,000) living elsewhere (table 3). Approximately 1 out of every 4 of the men supporting an ex-wife was currently married with a wife present (table E). Support payments by men to wives or ex-wives averaged about \$4,583 annually; these payments accounted for 11 percent of the men's family income, which averaged \$41,414 (table F).

The SIPP data indicate that in 1988, 85 percent of men providing financial support to wives or ex-wives had worked the entire month before the interview. Eighty-eight percent maintained their own households (37 percent of which included current spouses and other relatives), and about 4 out of every 10 had completed at least a year of college (table E).

**Men supporting absent children.** In 1988, 4 million fathers reported supporting 6.3 million children under 21 years old living outside their households, about 1.58

children per father (table G). As the data profile in table E shows, slightly less than one-half (1.7 million) of these men were currently married and living with a wife and thus contributing to the support of resident family members as well as their children living elsewhere. Seventy-five percent of these men were 25 to 44 years old, a group old enough to have experienced fatherhood in a second marriage. Forty-seven percent of these fathers had completed 1 or more years of college; 77 percent maintained their own households; and 88 percent reported that they had worked the entire month before the interview.

## PROFILE OF RECIPIENTS—WHO'S BEING HELPED?

Most of the 12.4 million recipients of support in 1988 were related to their providers: the majority (7.0 million) were the providers' children (table H), while others, such as ex-spouses, were former members of their providers' households. Fifty-six percent of the recipients were the provider's own children under 21 years of age, receiving 50 percent of the aggregate support, or an average of \$1,700 each (figure 2). Adult recipients on average received \$2,214. Ex-spouses received larger support payments, \$4,855 or 11 percent of the aggregate amount provided, although they constituted only 4 percent of all recipients.

Older children also received a larger share of financial support relative to their numbers, \$3,085 each, or 16 percent of the total share of financial support, although they accounted for only 10 percent of all recipients. Parents, who were 13 percent of all recipients, received \$1,330 each (table H).

**Table E. Selected Social and Economic Characteristics of Men Supporting Children, Wives, or Ex-Wives: 1988**

(Numbers in thousands)

Characteristic of men providing support	Men supporting—	
	Children	Wives or ex-wives
Total men .....	4,002	714
Race:		
White .....	3,415	628
Black .....	513	86
Other .....	74	-
Hispanic origin: <sup>1</sup>		
Nonhispanic .....	3,697	581
Hispanic .....	305	133
Age:		
18 to 24 years .....	153	-
25 to 34 years .....	1,159	91
35 to 44 years .....	1,980	247
45 to 54 years .....	599	224
55 to 64 years .....	74	107
65 years and over .....	36	45
Marital status:		
Married, wife present .....	1,737	196
Married, wife absent .....	72	104
Separated .....	453	116
Widowed .....	18	22
Divorced .....	1,479	270
Never married .....	242	5
Household relationship:		
Householder with relatives .....	1,754	234
Householder without relatives .....	1,308	396
Child of householder .....	319	26
All others .....	620	58
Years of school completed:		
Less than high school .....	659	136
High school only .....	1,470	280
College, 1 year or more .....	1,872	298
Employment status:		
Worked full month .....	3,539	608
Worked less than month .....	191	23
Without a job <sup>2</sup> .....	121	8
Not in labor force .....	150	75
Family income: <sup>3</sup>		
Under \$15,000 .....	713	177
\$15,000 to \$29,999 .....	1,095	163
\$30,000 to \$44,999 .....	1,056	89
\$45,000 and over .....	1,138	285

- Represents zero.

<sup>1</sup>Persons of Hispanic origin may be of any race.

<sup>2</sup>Includes persons who were on layoff or looking for work at least 1 week last month.

<sup>3</sup>Excludes persons with no family income.

**Child recipients.** A majority of the 7.0 million children receiving financial support from an absent parent received it because of their parents' separation or divorce. This is shown in table G by the large numbers of children supported by parents who are either currently separated or divorced, or who are currently married (with a spouse present) but not living with the child they support (3.6 and 2.9 million, respectively). The vast majority of child

recipients received regular payments; only 8 percent received lump-sum only payments (table H). This probably stems from the nature of divorce settlements where the court decrees continuing child support payments at regular intervals; voluntary payments, however, are included in the figures.

In a separate module in this same survey (appendix E), data were collected on child support payments received by women on behalf of their children. These data do not directly link men providers to specific recipients of that support. Results for women recipients are shown in table 4. The estimate of the number of men providing child support from the nonhousehold support module (4.0 million) is similar to the estimated number of women reporting reciprocity of child support payments (3.6 million) in the child support module. Also, the average levels of payments reported by both recipient and provider are similar, \$2,593 for women recipients (table 4) and \$2,719 for men supporting children only (table 1B).

The characteristics of women receiving child support payments on behalf of their children, however, differ significantly from those of male providers. For example, only 27 percent of the women were currently married compared with 43 percent of the men; 70 percent of these women had worked a full month prior to the interview, compared with 88 percent for men. In addition, the family income of women recipients (\$27,502) (table 4) was lower than that of the men providers (\$38,339) (table 1). Child support amounted to 7.5 percent of the fathers' annual income, while payments received by women made up 9.4 percent of their family incomes.

**Adult recipients.** About 5.4 million adults received financial help from someone outside their households in 1988. As table 3 shows, 9 out of every 10 of the adult recipients for whom an exact relationship was ascertained were related to their providers or were former members of the provider's household. For instance, 33 percent of adult recipients were parents of the provider; 4 percent were current spouses living elsewhere, and 11 percent were former spouses.

About 1 in 4 recipients was an adult child living outside the parental home who received parental assistance averaging \$3,085 annually (table H); another 20 percent were more distantly related to their providers and received only \$1,737 each (figure 2). Only 5 percent of recipients were totally unrelated to their benefactors (table H).

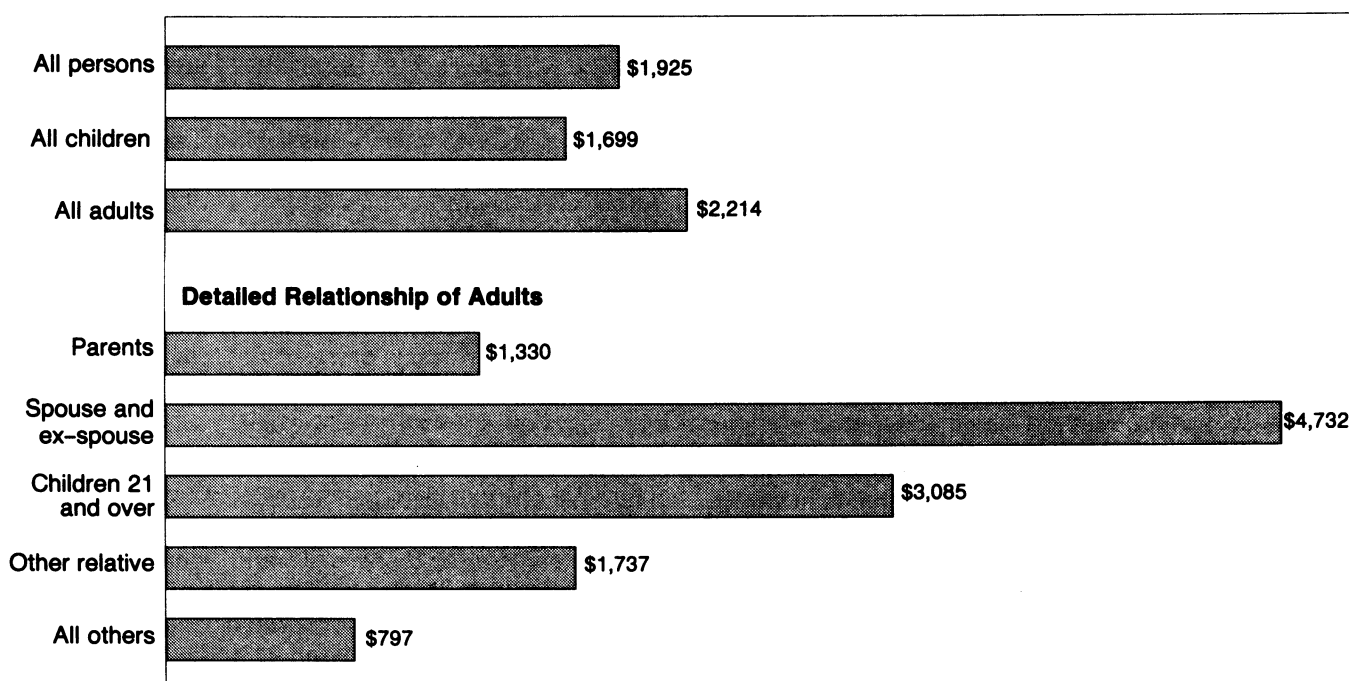
**Support of parents and older children.** The majority (58 percent) of the 1.7 million parents receiving assistance but living apart from their children received it from their sons (table F). Average payments received by parents from their sons (\$1,340) was not significantly different from the average payment received from their

**Table F. Amount of Annual Financial Support Received by Adults and Annualized Family Income of the Provider, by Relationship of the Supported Adult to the Provider: 1988**

Relationship and sex of provider	Number of adults supported <sup>1</sup> (thous.)	Amount of support received per person		Family income of provider	
		Mean	Standard error	Mean	Standard error
Total .....	4,858	\$2,348	\$157	\$46,835	\$2,319
Male .....	3,062	2,596	211	46,485	2,758
Female .....	1,797	1,925	222	47,431	4,153
Parent of provider .....	1,665	1,330	124	44,320	2,696
Supported by son .....	962	1,340	187	42,856	3,337
Supported by daughter .....	703	1,317	143	46,320	4,450
Spouse or ex-spouse of provider .....	734	4,732	629	41,771	4,056
Supported by ex-husband .....	714	4,583	594	41,414	4,157
Child 21 years and over of provider .....	1,204	3,085	304	50,743	6,602
Supported by father .....	666	3,571	487	52,519	7,426
Supported by mother .....	538	2,485	294	48,548	11,555
All other persons .....	1,255	1,595	264	49,387	4,655
Supported by men .....	721	1,403	245	50,779	7,206
Supported by women .....	534	1,855	522	47,509	4,993

<sup>1</sup>Excludes 458,000 persons for whom relationship was not ascertained and 113,000 persons under 21 years old who were not own children of the provider.

**Figure 2.**  
**Amount of Annual Financial Support Received by Recipients, by Relationship to the Provider**



Source: Tables F and H.

**Table G. Persons Providing Support for Nonhousehold Members, by Characteristics of the Provider and Number of Children and Adults Receiving Support: 1988**

(Numbers in thousands)

Characteristic of person providing support	Number of providers	Number of nonmembers supported	Number providing support for children	Number of children supported	Number providing support for adults	Number of adults supported
Total.....	8,008	12,400	4,406	6,971	4,079	5,429
Race:						
White .....	6,812	10,467	3,756	5,785	3,489	4,682
Black .....	909	1,426	562	954	384	472
Other .....	287	507	88	232	207	275
Hispanic origin: <sup>1</sup>						
Nonhispanic .....	7,119	10,716	4,057	6,322	3,475	4,394
Hispanic.....	889	1,685	349	649	605	1,036
Sex:						
Male.....	6,082	9,768	4,002	6,323	2,468	3,445
Female.....	1,925	2,632	404	648	1,612	1,984
Age:						
18 to 24 years .....	292	448	170	211	122	237
25 to 44 years .....	4,660	7,734	3,394	5,543	1,630	2,191
45 to 64 years .....	2,327	3,150	794	1,161	1,641	1,989
65 years and over.....	730	1,069	48	56	687	1,013
Marital status:						
Married, spouse present .....	3,859	5,809	1,947	2,917	2,149	2,892
Separated <sup>2</sup> .....	785	1,574	565	1,143	339	431
Widowed.....	421	598	50	70	383	528
Divorced .....	2,144	3,242	1,586	2,485	669	757
Never married .....	798	1,177	258	356	540	821
Years of school completed:						
Less than high school .....	1,459	2,462	699	1,169	838	1,293
High school only .....	2,476	3,780	1,608	2,521	996	1,259
College, 1 year or more.....	4,073	6,159	2,099	3,281	2,245	2,878
Employment status:						
Worked full month.....	6,394	10,190	3,814	6,114	3,037	4,076
Worked less than month .....	317	480	223	327	94	153
Without a job <sup>3</sup> .....	182	235	143	185	40	50
Not in labor force .....	1,115	1,495	226	345	909	1,150
Family income: <sup>4</sup>						
Under \$15,000 .....	1,234	2,059	787	1,362	538	697
\$15,000 to \$29,999.....	2,246	3,342	1,158	1,780	1,158	1,562
\$30,000 to \$44,999.....	1,787	2,948	1,132	1,901	769	1,047
\$45,000 and over .....	2,741	4,051	1,328	1,927	1,614	2,124

<sup>1</sup>Persons of Hispanic origin may be of any race.

<sup>2</sup>Includes married, spouse absent.

<sup>3</sup>Includes persons who were on layoff or looking for work at least 1 week last month.

<sup>4</sup>Excludes persons with no family income.

daughters (\$1,317). Studies of the incidence of nonfinancial assistance to elderly disabled parents, however, indicate that this care is more likely to be provided by daughters.<sup>4</sup>

Among the 1.2 million children 21 years old and over who received financial support from their parents, about 45 percent received support from their mothers (table F). This is in contrast to the incidence of financial support received by own children under 21 years of age, where only 9 percent of the recipients received help

from their mothers (table G). Overall, payments received by older children averaged \$3,085, compared with \$1,699 per own child under 21 (table H). Of course, the circumstances of these child and adult recipients are vastly different. While children under 21 are probably the beneficiaries of court-ordered payments by divorced or separated fathers, children 21 and over are probably recipients of voluntary payments from either a father or mother or both, who are attempting to maintain consistency between their children's current living standards and the standards they enjoyed in their parental homes. This is suggested by the mode of payment made by the providers to their children under and over 21 years of age. Among child recipients under 21 years old, only 8

<sup>4</sup>Robyn Stone, Gail L. Cafferata, and Judith Sangl, "Caregivers of the Frail Elderly: A National Profile," *The Gerontologist*, Vol. 27, No. 5 (1987), pp. 616-626.

**Table H. Persons Receiving Support and Aggregate Amount of Support Received, by Type of Payment and Relationship to the Provider: 1988**

Relationship to provider	Recipients		Aggregate amount		Per recipient	
	Number (thous.)	Percent	Total (mil.)	Percent	Mean	Standard error
<b>ALL PAYMENTS</b>						
All recipients .....	12,400	100.0	23,866	100.0	\$1,925	\$87
Own children .....	6,971	56.2	11,846	49.6	1,699	106
Adults .....	5,429	43.8	12,020	50.4	2,214	144
Parents .....	1,665	13.4	2,215	9.3	1,330	124
Spouse .....	204	1.6	901	3.8	(B)	(B)
Ex-spouse .....	530	4.3	2,575	10.8	4,855	751
Other child under 21 years .....	113	0.9	303	1.3	(B)	(B)
Child 21 years and over .....	1,204	9.7	3,715	15.6	3,085	304
Other relative .....	1,008	8.1	1,751	7.3	1,737	310
Nonrelative .....	247	2.0	251	1.1	(B)	(B)
Relationship not ascertained .....	458	3.7	311	1.3	679	174
<b>LUMP-SUM PAYMENTS ONLY</b>						
All recipients .....	2,595	100.0	3,696	100.0	1,424	163
Own children .....	586	22.6	212	5.7	362	94
Adults .....	2,009	77.4	3,484	94.3	1,735	203
Parents .....	690	26.6	772	20.9	1,120	159
Spouse .....	18	0.7	28	0.8	(B)	(B)
Ex-spouse .....	61	2.4	158	4.3	(B)	(B)
Other child under 21 years .....	65	2.5	160	4.3	(B)	(B)
Child 21 years and over .....	569	21.9	1,600	43.3	2,814	408
Other relative .....	362	13.9	637	17.2	(B)	(B)
Nonrelative .....	126	4.9	62	1.7	(B)	(B)
Relationship not ascertained .....	119	4.6	67	1.8	(B)	(B)

B Base too small to show derived estimate.

percent received lump-sum only payments; among recipients 21 years and over, 47 percent received lump-sum only payments for their support (table H).

**Living arrangements of adult recipients.** The majority (88 percent) of adult recipients receiving outside financial help lived in private homes, most likely their own; 4 percent lived in nursing homes, and another 8 percent lived in other situations (table I).<sup>5</sup> Dependent parents were similar to adult recipients: 88 percent lived in private homes and 6 percent in nursing homes.

**Odds of being a provider.** In the previous SIPP report on this subject, a log-linear regression analysis showed the likelihood of being a provider. Although a similar analysis was not done for this report, we feel the results would have been similar. Generally, the results showed the odds of being a provider were very low: for every one person who provided support, there were 26 who did not. The chances of supporting either a child or an adult were even lower: 1 to 39 for supporting a child and 1 to 73 for supporting an adult. To derive the odds for specific groups, the relevant variables used in the regression model were: sex, marital status, age, years of school completed, and family income. These variables

were used simultaneously to determine the likelihood of being a provider. The results clearly indicate that men and persons with marital disruptions were more likely to be providers than women and persons neither separated nor divorced, both by a 6 to 1 ratio. Persons 25 to 44 years old were about twice as likely to be providers as persons 65 years and over, and those living in families with incomes over \$45,000 were more likely than those living in families with incomes under \$15,000. Persons who had attended college were less likely to be providers than those who were high school drop-outs.<sup>6</sup>

## DECIDING HOW MUCH—DETERMINANTS OF SUPPORT PAYMENTS

The average amount of support provided was \$2,980 annually, or approximately 7 percent of the provider's family income (table B). The average payment made by the 4.4 million providers supporting children outside their households was \$2,689 annually, not significantly different from the \$2,947 annually paid by the 4.1 million providers supporting adults. The relatively few providers who supported both children and adults made considerably higher annual payments: \$8,256, approximately 15 percent of these providers' family incomes.

<sup>5</sup>Own children away at college, including those 21 years old and over, were counted as living in their parental homes.

<sup>6</sup>See U.S. Bureau of the Census, Current Population Reports, Series P-70, No. 13, "Who's Helping Out? Support Networks Among American Families," published in 1988, pp. 9-14.

**Table I. Living Arrangements of Supported Adults, by Family Relationship to Provider: 1988**

(Numbers in thousands)

Relationship to provider	Living arrangement of adult supported—			
	Total <sup>1</sup>	In private home	In nursing home	Other arrangement
Number of adults supported .....	4,858	4,251	218	390
Parent.....	1,665	1,472	101	92
Supported by son:				
Under 45 years.....	717	682	8	27
45 years and over .....	244	205	39	-
Supported by daughter:				
Under 45 years.....	441	414	-	27
45 years and over .....	262	170	54	38
Spouse.....	204	161	25	18
Ex-spouse .....	530	522	-	9
Child 21 years and over .....	1,204	1,042	17	144
Other relative .....	1,008	869	56	84
Nonrelative .....	247	186	18	43

- Represents zero.

<sup>1</sup>Excludes 458,000 persons for whom relationship was not ascertained and 113,000 persons under 21 years old who are not own children of the provider.

Lump-sum providers, although generally supporting other adults, contributed on average only \$2,018 each, compared with \$3,184 for regular providers (table 2).

In aggregate terms, financial support provided to persons outside the household totaled \$23.9 billion, of which \$11.8 billion was for the support of children and a similar amount, \$12.0 billion, went for the support of adults (table H).

Men provided greater amounts of support; their payments averaged \$3,258, or 8 percent of their family incomes. In contrast, women's payments averaged \$2,102, or 5 percent of their family incomes (table 1).

While the levels of annual payments were lower for Blacks (\$2,118) than for Whites (\$3,138), their payments as a percentage of annual family income were similar, 7 percent each.

Persons who were currently married (with a spouse present) or divorced made the largest average support payments of \$3,139 and \$3,297, respectively (not significantly different); never-married providers made the smallest support payments, \$1,552 (table 1A).

The level of support was evaluated using multivariate regression analyses where the level of support was regressed on selected demographic and economic characteristics of the providers. The analysis shows that the amount of financial assistance is related to the provider's ability to pay (family income, current marital and family status) and to the recipient's needs (presence and number of children and/or parents). The provider's age, race, and sex were also included as demographic controls in the models. Further, since financial assistance depends in large part on the type of recipient, and since providers generally assist only one type of recipient, assistance is disaggregated to show the amounts paid to children, parents, and spouses or ex-spouses.

The results in table J show that the characteristics of providers that are significantly related to the level of payments are consistent with characteristics selective of providers observed earlier. The results for the total payments regression indicate that Whites, males, separated/divorced persons, and persons with higher educational attainment provided greater amounts of financial support. Not surprisingly, providers' family incomes were positively related to the level of support for all categories of recipients shown in table J. Specifically, a marginal 1 percent increase in the total family income of the provider resulted in a 0.3 percent increase in annual payments. The table also shows that for the "all recipients" regression, payment levels increase with the number of persons being supported.

Similar results are found when the amount of financial assistance to children is examined. Several economic and demographic variables were associated with relatively high child support payments. Whites and males had significantly higher payments. Financial support to children increased with the education of the provider and with the number of children covered by the payments. In addition, if the provider made payments to both children and adults, the total payments increased. Finally, as family income of the provider increased, the level of financial support also increased.

When payments to adults are examined, the results differ in several respects from results when all payments were considered. In determining the amount of financial assistance to parents, demographic and social characteristics in the model were not statistically significant. Family income was the only consistently significant term positively related to the amount of support for either parents or spouses. This suggests that, since assistance for a parent is likely to be voluntary, the provider's ability to pay becomes the most important factor in determining the amount of the payment.



**Table J. Regression Results for Amount of Financial Assistance Provided: 1988**

(Dependent variable is the logarithm of the amount of financial assistance)

Variable	All recipients	Children	Parents	Spouses or ex-spouses
Age .....	0.026 (0.022)	0.027 (0.041)	-0.034 (0.071)	*0.113 (0.060)
Age squared .....	-0.0002 (0.0002)	-0.0001 (0.0005)	0.0002 (0.0008)	-0.0009 (0.0006)
Race (White=1; All other=0) .....	*0.273 (0.145)	**0.436 (0.165)	0.048 (0.342)	-0.082 (0.441)
Years of school completed .....	*0.028 (0.017)	**0.044 (0.022)	0.0004 (0.036)	0.028 (0.037)
Sex (Male=1; Female=0) .....	**0.495 (0.123)	**0.765 (0.232)	0.145 (0.272)	-0.265 (0.396)
Marital status (Separated/divorced=1; Other=0) .....	**0.236 (0.115)	0.112 (0.119)	0.270 (0.393)	(X)
Type of spouse (Spouse=1; Ex-spouse=0) .....	(X)	(X)	(X)	**1.856 (0.402)
Number of persons supported .....	**0.143 (0.057)	(X)	-0.106 (0.150)	0.036 (0.147)
Number of children supported .....	(X)	*0.108 (0.064)	(X)	(X)
Supports children and adults (Yes=1; No=0) .....	**0.841 (0.223)	*0.338 (0.184)	-0.084 (0.533)	0.673 (0.476)
Log of family income .....	**0.268 (0.071)	**0.252 (0.076)	**0.449 (0.205)	**0.485 (0.187)
Constant .....	**2.678 (0.816)	**2.376 (1.076)	3.111 (2.238)	-2.374 (2.324)
Number of cases (unweighted) .....	862	452	149	170
R-squared .....	.17	.20	.09	.48

X Term not included in regression. \* Statistically significant at the 90-percent confidence level. \*\*Statistically significant at the 95-percent confidence level.

Note: Regression coefficients are reported for each variable and the standard error coefficients are shown in parentheses. Standard errors were adjusted to compensate for survey design effects.

Family income is also significant and positively related to the amount of financial support for separated or former spouses. In addition, the age of the provider and the type of spouse supported (separated spouse versus an ex-spouse) were significant; the latter variable reflecting the higher initial costs incurred during a recent marital dissolution, rather than support payments for a former spouse divorced long ago.

## CONCLUSIONS

This report continues an analysis begun with the 1984 Panel of the SIPP on the presence and prevalence of nonpublic financial networks among U.S. households. Results of these surveys indicate that the likelihood of providing and receiving financial assistance is determined by the lifecycle status of both providers and recipients, while the amount of assistance is more importantly determined by the financial resources of the

providers. Thus, the study reveals that the most frequent causes of financial need among absent household members are marital disruption and the aging process; the data also suggests that families vary more in their abilities to pay than in their reasons for supporting outside members.

While information on the importance of outside support to the families and individuals receiving it is limited, the survey does reveal that child support makes up 9 percent of the annual family income of women receiving this type of support. Data on the prevalence of nonfinancial assistance such as help in performing basic activities and daily chores are available in a previous SIPP report.<sup>7</sup> Only a study which probes both sides of the support network, assessing and linking providers and recipients, can provide data that will permit evaluation of the wider role of informal support networks in contemporary American society.

<sup>7</sup>U.S. Bureau of the Census, Current Population Reports, Series P-70, No. 19, "The Need for Personal Assistance with Everyday Activities; Recipients and Caregivers," 1990.